

Plaintiffs' Exhibit 119

From: Michael Hopkins <mhop@google.com>
To: Aparna Pappu <apappu@google.com>, Batool Ali <batool@google.com>, Bodhi Mukherjee <bodhi@google.com>, Eisar Lipkowitz <eisar@google.com>, Emil Ochotta <emilo@google.com>, Gargi Sur <gargisur@google.com>, Glenn Berntson <gberntson@google.com>, Jim Giles <jimgiles@google.com>, Jonathan Bellack <jbellack@google.com>, Mike Warriner <mfw@google.com>, Paul Muret <muret@google.com>, Sagnik Nandy <sagnik@google.com>, Scott Spencer <scottspencer@google.com>, Sunil Kosalge <sunilk@google.com>, Vegard Johnsen <vegardj@google.com>, Brad Bender <bradbender@google.com>, Bryan Rowley <browley@google.com>, Chris LaSala <chrisl@google.com>, David Goodman <davidgoodman@google.com>, David Maymudes <davidmay@google.com>, Deepti Bhatnagar <deeptib@google.com>, George Levitte <glevitte@google.com>, Jerome Gateau <jgrateau@google.com>, Kurt Spoerer <kspoerer@google.com>, Max Loubser <maxl@google.com>, Payam Shodjai <pshodjai@google.com>, Roshan Khan <roshank@google.com>, Sam Cox <samcox@google.com>, Vivek Rao <vivekrao@google.com>
Sent: Fri, 11 Nov 2016 22:04:20 +0000
Subject: Re: Sellside Review for 11/10

Notes from the meeting have been added at go/sellside-review-notes and pasted below.

Thanks,

Gargi and Michael

Expelliarmus (ad block circumvention) re-boot

11/10/2016

Doc: [Expelliarmus Reboot - VP Update](#)

Presenter: Scott Spencer

TL;DR

- Largely positive reaction to proposal of pursuing ad blocker circumvention for AMP ads on AMP inventory
- Expelliarmus could potentially be leveraged in new network

AI

- Decide on how expelliarmus proposal should interact with new network

Meeting notes

- Expelliarmus: our approach to ad block circumvention
- Ad circumvention proposal has the following pillars
 - Circumvention for AMP ads on AMP inventory
 - Ad block circumvention of ads on YT (parallel YouTube effort)
 - Program to certify 3rd party ad blocker circumvention tools
- Demand for ad block circumvention spiked when Facebook rolled this out
- Eisar: Publishers don't take the position generally that circumventing ad blockers would cause them to lose users; focus on getting short-term revenue back
- Circumvention for AMP ads on AMP inventory: easier starting point
- Creating escalations for unfunded ad spam issue
- Paul: should we bundle this with new network?
 - Might be easier to do with new network b/c we'll have GAIA
 - Used for personalization + frequency capping
 - **AI:** Consider this proposal in context of new network
 - Would help with resource decision
- Will this add to latency?
 - Dynamic changes will add to latency; we're looking into this
- This is an arms race between ad blockers and ad circumvention
- AMP team said it's technically possible to move AMP to desktop
- Facebook primarily targets AB and AB+; haven't focused on UC browser
- Eisar: this would make AMP RPMs increase; also worry about it looking like we are pushing

Google???s agenda

Jedi Follow Up

11/10/2016

Doc: [Jedi followup](#)

Presenter: Jim Giles

TL;DR

- Modifying AdX margin is unlikely to win additional inventory in short-term but could in the long-term by increasing AdX yield and putting pressure on other SSPs
- Initial data suggests there could be material impact on impressions + revenue from not bidding on HB queries, but more detailed analysis is still needed
- Overall, moving in right direction for being able to make strategy decisions

AI

- Improve logic for identifying HB queries

Meeting notes

- Simulations for modifying AdX margin downwards + Adwords margin upwards
 - Eisar: this is just first order effects
 - Eisar: we should include DBM in this analysis
 - Nirmal: DBM won???t win more b/c of sellside dynamic rev share
- Chris: we don???t have any indications that lowering rev share would increase inventory availability
 - Bahman: let???s make sure we focus analysis on competition with SSP players
 - Payam: there could be long-term effect; puts pressure on other SSPs and would make us more competitive from a yield perspective
 - Jonathan: might want to lower rev share just for mobile app to be more competitive there
- DBM did experiment where they stopped buying domains with HB on other exchanges
 - Led to ~30% drop in both impressions and revenue
 - Stopping DBM buying cross exchange for HB properties: money could be won back but not necessarily to same domains
 - Tobias: I don???t know if this approach would be enough to move the market
 - Alternatively, we could make goal protecting advertisers in bad auctions (one of which is HB); instead of stop bidding on HB queries, we could bid lower on HB queries
 - Ali: we may find that this approach is the same as not bidding on HB queries if other buyers still bid the same
 - We need to push other buyers to make changes too
 - Eisar: we should think about this
 - **AI(Goody):** improve filtering for HB queries
 - Jonathan: potentially think about approach where DBM only buys through AdX or a header
 - Difficult from a messaging perspective with Jedi
 - Aparna: we need a few more weeks of data; don???t focus too heavily on 30% number
 - Contractually, we don???t have to bid advertiser CPM every time but we???d have to make updates for HC + UI potentially
- Transparency
 - Certain contracts seem to suggest that we might have difficulty sharing spend data across exchanges with pubs

On Wed, Nov 9, 2016 at 11:43 PM Michael Hopkins <mhop@google.com> wrote:

Hi all,

We have the following??Sellside??Reviews??scheduled for tomorrow:

Topic: Expelliarmus (ad block circumvention) re-boot

Date/Time: 11/10, Thurs 2:00 pm - 2:15 pm PT

Deck:??Expelliarmus Reboot - VP Update

Summary: Decide on Google strategy for ad block circumvention

Topic:??Jedi Follow Up

Date/Time: 11/10, Thurs 2:15 pm - 3:00 pm PT

Deck:??Jedi++ followup

Summary: Follow up discussion from Jedi++ strategy presentation 2 weeks ago

Thanks,
Gargi & Michael